

Exhibit D

THE PORT AUTHORITY OF NY & NJ

Press Release Article

FACED WITH CONSTRAINED CAPACITY DUE TO HISTORIC ECONOMIC RECESSION, COUPLED WITH BILLIONS IN WTC AND POST 9-11 SECURITY COSTS, AND UNPRECEDENTED NEED FOR INFRASTRUCTURE OVERHAUL, PORT AUTHORITY PROPOSES TOLL AND FARE INCREASE

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- Proposal comes after three-consecutive years of 0 percent growth in operating expenses, \$5 billion in cut projects, and billions more deferred
- \$2.6 billion revenue decline from original capital plan projections due to economic recession, over \$11 billion necessary to rebuild WTC, and \$6 billion in required security costs
- Failure to act risks 240 critical infrastructure projects, immediate loss of 3,900 construction jobs and \$438 million in investment in 2011 alone

Faced with three unprecedented challenges at once – (1) a historic economic recession that has sharply decreased revenue below projections, (2) steep increases in post-9/11 security costs, which have nearly tripled, and the overall cost of the WTC rebuilding, and (3) the need for the largest overhaul of facilities in the agency's 90-year history – the Port Authority of New York and New Jersey today proposed a two-phase toll and fare increase to fully fund a new \$33 billion ten-year capital plan, which will generate 167,000 jobs.

The proposal comes only after the Port Authority initiated an aggressive cost-cutting plan started in 2008 to manage its resources as the impact of the economic recession became clear: cutting \$5 billion in capital projects and deferring billions more; holding operating expenses at zero-growth for three consecutive years; and cutting agency headcount to the lowest levels in 40 years – an 11 percent reduction of non-police staff in the last five years.

The Port Authority does not receive tax revenue, making its toll and fare structure the primary way to fund the region's critical interstate transportation network. At this point, after a multiyear effort to control spending in recognition of declining capital capacity, failure to act risks 240 critical infrastructure projects and thousands of jobs, and will prevent the overhaul of the agency's aging facilities.

The factors leading to the agency's financial position include:

- A historic economic recession during which the agency's revenue declined \$2.6 billion from projections made when the agency's original ten-year capital plan was sized. Example: 11 million fewer vehicles are crossing its bridges and tunnels – it will take until 2020 to reach the levels projected information the year 2011.
- More than \$11 billion in funding necessary to rebuild the WTC site.
- \$6 billion in increased security requirement costs since the September 11 attacks, nearly tripling security expenditures from pre-9/11 annual budgets (18 percent increase).
- The need for the largest overhaul in agency facilities in its 90-year history.

The new 10-year capital plan would deliver significant economic benefits to the region, including the generation of 167,000 jobs, \$38.4 billion in sales, and \$9.7 billion in wages within the 17-county New York-New Jersey Port District.

The agency's proposed toll structure, which would be adjusted in September 2011 and in 2014, focuses the greatest increase on cash users and trucks that cause the most traffic congestion and wear and tear. In

addition, the agency proposes raising the PATH fare in September 2011, while fully preserving PATH's deep discount for multi-trip users.

Projects contingent on the proposed toll/fare plan include:

- The first replacement of all 592 suspender ropes at the 80-year old George Washington Bridge, the world's busiest crossing, joining other suspension bridges like the Golden Gate and RFK, which have already replaced theirs. (\$1 billion)
- The replacement of the Lincoln Tunnel Helix. It will require major lane closures and load restrictions if not replaced. (\$1.5 billion)
- The raising of the Bayonne Bridge, which will solve the current clearance problem, preventing post-PANAMAX ships from accessing key ports. (\$1 billion)
- A new bus garage connected to the Port Authority Bus Terminal, which will serve as a traffic reliever to the Lincoln Tunnel and midtown Manhattan streets, saving two-thirds of the empty bus trips that must make two extra trips through the tunnel each day. (\$800 million)
- Significant security investments at the region's airports, including the installation of security barriers. (\$360 million)

The Port Authority also plans to direct 100 percent of the revenue from the proposed PATH fare increase back into the PATH system to complete projects that will replace 340 PATH cars, replace the 100-year-old signal system and duct bank network, upgrade PATH security with tunnel hardening and flood mitigation measures, and rehabilitate the system's aging stations, including new 10-car platforms.

To fund these major transportation and security projects, the Port Authority's toll/fare proposal calls for:

- Tolls for autos using E-ZPass on the Port Authority's crossings to increase from \$6 to \$10 roundtrip for off-peak travel and from \$8 to \$12 in peak hours. An additional \$2 increase during peak and off-peak hours will be implemented in 2014.
- A cash toll surcharge of \$3 to increase the cash rate from \$8 to \$15 in 2011 for the 25 percent of toll-payers who still use the optional cash system, similar to the MTA. The surcharge is expected to increase the E-ZPass market share to approximately 85 percent, which will reduce travel delays during the peak of traffic congestion by 10 to 20 minutes. The surcharge will increase by an additional \$2 in 2014.
- Truck tolls per axle using E-ZPass off-peak to increase from \$7 to \$13 roundtrip and peak from \$8 to \$14, with an additional \$2 per-axle-increase in 2014 for both off-peak and peak hours. A similar cash surcharge of \$3 per axle will be applied to trucks in 2011 that continue to use the optional cash system with an additional \$2 per axle in 2014.
- To further incentivize trucks to cross during the overnight period to reduce congestion during the day, there will be no toll increase on trucks that cross during the overnight discount period and the Port Authority will expand this overnight period an extra two hours each weekday night from 10 p.m. to 6 a.m. (previously midnight to 6 a.m.). This will result in a 61 percent discount for a typical two-axle truck, which will continue to pay \$11 overnight as compared to the \$28 toll in 2011 for the same truck using E-ZPass during the peak period. Truck traffic results in the greatest wear and tear on the bridges and tunnels – a fully-loaded tractor trailer causes as much damage to roadway surfaces as 10,000 passenger cars.
- Fully preserving the Staten Island Bridge "Discount Plan" for E-ZPass users, giving these frequent users a 50 percent toll discount on the peak E-ZPass toll. In addition, qualified energy efficient vehicles with GreenPasses will see no toll increase during off-peak hours in 2011, and the car-poolers discount rate is preserved in 2011 with a 50 percent discount off the E-ZPass peak hour rate. Both GreenPasses and car-poolers would see a \$2 increase in 2014.
- The base PATH fare would increase from \$1.75 to \$2.75 in 2011, with the average fare increasing to \$2.10 from \$1.30 given the steep 25 percent discount, which will be fully preserved. The 30-day unlimited pass will increase to \$89 from \$54.

Before the Board of Commissioners considers a final toll/fare plan at a Board meeting on August 19, the agency has announced a public hearing schedule on August 16 with nine total hearings across both states, which will be held at the following times and places:

Newark Liberty International Airport
1 Conrad Road
Building 157, Bay 3
Newark, NJ 07114
973-961-6161
8 a.m.

Port Authority Technical Center
241 Erie Street, Room 212
Jersey City, NJ 07310
201-216-2700
8 a.m.

Port Ivory/Howland Hook
40 Western Ave.
Staten Island, NY 10303
718-330-2950
8 a.m.

Port Authority Bus Terminal
625 8th Avenue
Times Square Conference Roo